

The opinion in support of the decision being entered today was not written for publication and is not binding precedent of the Board.

Paper No. 12

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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Ex parte JAMES MORRISON and JOHN C. ADDY

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Appeal No. 2001-1018  
Application 09/211,688

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ON BRIEF

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Before FRANKFORT, McQUADE, and BAHR, Administrative Patent Judges.

FRANKFORT, Administrative Patent Judge.

DECISION ON APPEAL

This is a decision on appeal from the examiner's final rejection of claims 1 through 5, 7 through 11, 13 through 16, 18 and 19. Claims 6, 12 and 17, the only other claims remaining in the application, have been objected to by the

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examiner and indicated to be allowable if rewritten in independent form.

Appellants' invention is directed to a retail system and method for allowing a customer to perform a retail transaction and, if required, to additionally allow the customer to perform a self-audit of his or her transaction. Independent claims 1, 7, 13 and 18 are representative of the subject matter on appeal and a copy of those claims may be found in the Appendix to appellants' brief.

The prior art references of record relied upon by the examiner in rejecting the appealed claims are:

1975	Schwartz	3,878,365	Apr. 15,
1995	Van Solt	5,397,882	Mar. 14,
	Keating et al. (GB '575)	2 307 575 A	May 28,
1997	Keating et al. (GB '395)	2 311 395	A
			Sept. 24, 1997

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Claims 1, 2, 7, 8, 13 through 15, 18 and 19 stand rejected under 35 U.S.C. § 102(b) as being anticipated by GB '575.

Claims 1 through 4, 7 through 10, 13 through 15, 18 and 19 stand rejected under 35 U.S.C. § 102(b) as being anticipated by Van Solt.

Claims 1 through 4, 7 through 10, 13 through 15, 18 and 19 additionally stand rejected under 35 U.S.C. § 102(b) as being anticipated by GB '395.

Claims 1 through 5, 7 through 11 and 13 through 16 stand rejected under 35 U.S.C. § 103 as being unpatentable over Schwartz in view of GB '395 or Van Solt.

Claims 1 through 4, 7 through 10, 13 through 15, 18 and 19 stand rejected under 35 U.S.C. § 103 as being unpatentable over Van Solt, or GB '395, or GB '575.

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Rather than reiterate the examiner's full statement of the above-noted rejections and the conflicting viewpoints advanced by the examiner and appellants regarding those rejections, we make reference to the examiner's answer (Paper No. 9, mailed July 11, 2000) for the reasoning in support of the rejections, and to appellants' brief (Paper No. 8, filed June 5, 2000) and reply brief (Paper No. 10, filed September 12, 2000) for the arguments thereagainst.

#### OPINION

In reaching our decision in this appeal, we have given careful consideration to appellants' specification and claims, to the applied prior art references, and to the respective positions articulated by appellants and the examiner. As a consequence of our review, we have made the determinations which follow.

Before turning to the examiner's rejections, we note that

each of the independent method claims (claims 1, 13 and 18) on appeal sets forth a step of operating the self-service checkout terminal therein "so as to allow said customer to enter said number of items into said self-service checkout terminal in response to generation of said audit-required control signal," that is, the customer himself or herself performs a self-audit of the items involved in the retail transaction at the self-service checkout terminal, when an audit is required. As noted on page 41 of the specification, by allowing a customer to perform a self-audit by use of the self-service checkout terminal to perform the required audit procedures, appellants' retail system and its method of operation provides a customer with a feeling of a level of "trust" relative to prior art systems in which an audit is performed at an assisted checkout terminal by store personnel (e.g., by a retail clerk).

Appellants' independent claim 7, directed to a retail system for allowing a customer to perform a retail transaction, includes, *inter alia*, a self-service checkout

terminal having a terminal memory device electrically coupled to a processing unit therein, with said terminal memory device having stored therein a plurality of instructions which, when executed by the processing unit, causes the processing unit of the self-service terminal to perform certain functions, among which is causing the processing unit to "operate said self-service checkout terminal so as to allow said customer to enter said number of items into said self-service checkout terminal in response to generation of said audit-required control signal."

Looking to the examiner's rejection of claims 1, 2, 7, 8, 13 through 15, 18 and 19 under 35 U.S.C. § 102(b) as being anticipated by GB '575, we note that the examiner has asserted that this reference discloses a system for and method of operating a self-service store having hand-held scanners (10) for storing a number of scanned items scanned by the customer, a self-service checkout terminal, a controller (16) for receiving memory from the scanners and also determining and generating a signal indicating whether or not the customer's

transaction is to be audited. If a customer's transaction is to be audited, the examiner has noted that the number of scanned items will be re-entered "at the checkout terminal" (answer, page 4). The examiner has additionally indicated that the recitation "so as to allow said customer to enter said number of items into said self-service checkout terminal in response to generation of said audit-required control signal," as broadly claimed, "is not given any patentable weight since the checkout terminal cannot distinct [sic, distinguish] whether the customer or the cashier is going to re-enter the number of scanned items" (answer, page 4).

Like appellants (brief, pages 27-32), we observe that the examiner has not provided any guidance as to exactly where he believes a "self-service checkout terminal" like that claimed by appellants is to be found in GB '575. Nor has the examiner pointed to any teaching in GB '575 relating to the requirement in each of the method claims on appeal (claims 1, 13 and 18) of "operating said self-service checkout terminal so as to allow said customer to enter said number of items into said

self-service checkout terminal in response to generation of said audit-required control signal," i.e., operating a self-service checkout terminal so that the customer is allowed to perform a self-audit. The express disclosure of GB '575 is that the store controller (16) decides whether a customer's purchases are to be checked or audited, and that the customer is then directed to a Re-scanning Checkout (24) where the customer's purchases are re-scanned and checked "by a store assistant" (see GB '575, page 7 and page 9). As for the examiner's attempt (answer, page 8) to belatedly identify the self-service checkout terminal of the claims on appeal as corresponding to the checkout stations (22, 24) of GB '575, we observe that the disclosure of GB '575 identifies each of these checkout stations as being manned by a store assistant (see pages 5, 8 and 9), and thus the stations (22) and (24) are clearly assisted checkout terminals, not self-service checkout terminals like those required in appellants' claims on appeal.

Regarding appellants' claim 7 directed to a retail



system, we find nothing in GB '575 which corresponds to the self-service checkout terminal recited in claim 7 having a terminal memory device electrically coupled to a processing unit therein, with said terminal memory device having stored therein a plurality of instructions which, when executed by the processing unit, causes the processing unit of the self-service terminal to perform the functions (a) through (d) set forth in the last four clauses of claim 7. In contrast to the examiner's position (answer, page 4) that "the checkout terminal cannot distinct [sic, distinguish] whether the customer or the cashier is going to re-enter the number of scanned items," we note the terminal memory device of the self-service checkout terminal of claim 7 on appeal and the processing unit therein are specifically programmed to "operate said self-service checkout terminal so as to allow said customer to enter said number of items into said self-service checkout terminal in response to generation of said audit-required control signal."

Based on the foregoing, we conclude that GB '575 does not

anticipate the subject matter of appellants' independent claims 1, 7, 13 and 18 on appeal, or that of claims 2, 8, 14, 15 and 19 which depend therefrom. Accordingly, the examiner's rejection of claims 1, 2, 7, 8, 13 through 15, 18 and 19 under 35 U.S.C. § 102(b) based on GB '575 will not be sustained.

We next look to the examiner's rejection of claims 1 through 4, 7 through 10, 13 through 15, 18 and 19 under 35 U.S.C. § 102(b) as being anticipated by GB '395. This reference is to the same inventors as GB '575 and appears to be an improvement over GB '575 wherein the retail system or store controller (16) is programmed to decide when the scanned purchases, although incorrectly scanned, are sufficiently close to the correct scanning as to be acceptable for the customer to remain at the presently assigned check level and not be demoted to a check level where future purchases will be more frequently audited. Other than the above-noted difference in the action that may be taken if a customer has mistakenly scanned his/her purchases, the retail system and method of GB

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'395 appears to be the same as that in GB '575 and to therefore suffer from the same deficiencies we have noted above regarding GB '575. Thus, for the same reasons as set forth above in our discussions of GB '575, the examiner's rejection of claims 1 through 4, 7 through 10, 13 through 15, 18 and 19 under 35 U.S.C. § 102(b) as being anticipated by GB '395 will not be sustained.

The next rejection for our review is that of claims 1 through 4, 7 through 10, 13 through 15, 18 and 19 under 35 U.S.C. § 102(b) as being anticipated by Van Solt. In evaluating this reference the examiner has again failed to specifically point out where the "self-service checkout terminal" of appellants' claimed system and method is to be found. In addition, the examiner has disregarded the teachings of the Van Solt patent (e.g., col. 4, lines 24-27 and col. 5, Lines 1-5) that store personnel perform an audit of a customer's purchases, if such an audit is required, at a

check cash desk (24). Nothing in the Van Solt reference discloses, teaches or suggests the method step of operating a self-service checkout terminal so as to allow a customer to enter the number of selected items into the self-service checkout terminal in response to generation of an audit-required control signal, which limitation is present in each of claims 1, 13 and 18 on appeal. Nor does Van Solt disclose, teach or suggest a self-service checkout terminal specifically programmed to permit a self-audit to be performed by the customer as set forth in appellants' retail system of claim 7. The examiner's assertion (answer, page 5) that such limitations are "not given any patentable weight" disregards the essence of appellants' invention and is based on the entirely speculative and probably incorrect assumption that a checkout terminal cannot distinguish or be set-up to distinguish between a customer and a cashier. In a retail transaction system, the checkout terminals are normally set-up to require the employee to enter a PIN or employee number prior to being activated to accept input of items for purchase, thereby preventing a customer from using the

checkout terminal to enter his/her own purchases.

Since, for the reasons set forth above, we agree with appellants that each and every element or step of appellants' claims 1 through 4, 7 through 10, 13 through 15, 18 and 19 are not found in Van Solt, it follows that we will not sustain the examiner's rejection of those claims under 35 U.S.C. § 102(b).

Looking to the examiner's rejection of claims 1 through 4, 7 through 10, 13 through 15, 18 and 19 under 35 U.S.C. § 103 as being unpatentable over Van Solt, or GB '575, or GB '395, we observe that the examiner now appears to concede (answer, page 7) that each of the references applied does not disclose or teach a self-service checkout terminal that is programmed to allow a self-audit, or a method where a self-service checkout terminal is operated to allow the customer to re-scan items to be purchased when an audit is ordered by the retail system. To address such deficiencies, the examiner asserts that it would have been obvious to one of ordinary skill in the art at the time of appellants' invention "to

allow customers scanned [sic, to scan] their purchases at the checkout terminal under supervision of a store personnel in order to promote the use of self-scanning shopping by training new customers how to use the scanner correctly." Like appellants, we find no basis whatsoever in the applied references, individually or collectively, for the examiner's conclusion of obviousness and concur with appellants that the mere fact that one might have a general desire to promote the use of self-scanning shopping would provide no apparent motivation or suggestion to one of ordinary skill in the art to modify the teachings of Van Solt, GB '575 or GB '395 so as to arrive at appellants' claimed subject matter set forth in claims 1 through 4, 7 through 10, 13 through 15, 18 and 19 on appeal. Finding that there exists no legally sufficient teaching, suggestion or incentive to support the examiner's proposed modification of Van Solt, GB '575, or GB '395, we will not sustain the examiner's rejection of claims 1 through 4, 7 through 10, 13 through 15, 18 and 19 under 35 U.S.C. § 103 as being unpatentable over Van Solt, GB '575, or GB '395.

The last of the examiner's rejections for our review is that of claims 1 through 5, 7 through 11 and 13 through 16 under 35 U.S.C. § 103 based on Schwartz in view of Van Solt or GB '395. In this instance, the examiner has taken the position that Schwartz "discloses all of the claimed limitations except it does not exclusively disclose a hand held scanner" (answer, page 6). The examiner relies on the teachings of Van Solt or GB '395 to show that the use of hand held scanners is well known in the self-service store arts, and concludes that at the time of appellants' invention it would have been obvious to one of ordinary skill in the art to provide Schwartz's system with a hand held scanner for each customer as disclosed by either Van Solt or GB '395 in order to simplify the self-service shopping process.

Even if one were to use the hand held scanners of either Van Solt or GB '395 in the system of Schwartz, we are in agreement with appellants (brief, page 49) that the system and method resulting from such a combination would not be that defined in independent claims 1, 7 and 13 on appeal. We again

observe that the examiner has not provided any guidance as to exactly where he believes a "self-service checkout terminal" like that claimed by appellants is to be found in Schwartz. Nor has the examiner pointed to any teaching in Schwartz relating to the requirement in each of method claims 1 and 13 on appeal of "operating said self-service checkout terminal so as to allow said customer to enter said number of items into said self-service checkout terminal in response to generation of said audit-required control signal," i.e., operating a self-service checkout terminal so that the customer is allowed to perform a self-audit at that terminal. The express disclosure of Schwartz (e.g., col. 2, lines 16-45) is that the customer is directed to a manual checkout table (41, 42) when an audit or spot check is required, where the items for purchase are put on the checkout counter in the normal way and then checked out manually by a cashier or operator who reads the prices directly from the items and punches the amounts in manually on a register or uses another type of input device. Thus, the audits conducted in the system of Schwartz take place at assisted checkout terminals, not self-service



checkout terminals which allow a customer to perform a self-audit as set forth in appellants' claims on appeal.

Regarding appellants' claim 7 directed to a retail system, we find nothing in Schwartz which corresponds to the self-service checkout terminal recited therein having a terminal memory device electrically coupled to a processing unit therein, with said terminal memory device having stored therein a plurality of instructions which, when executed by the processing unit, causes the processing unit of the self-service terminal to perform the functions (a) through (d) set forth in the last four clauses of claim 7, and particularly the function in clause (d).

The examiner has again taken the position (answer, page 12) that the recitation "so as to allow said customer to enter said number of items . . ." in appellants' claims on appeal "is not given any patentable weight since the checkout terminal cannot distinct [sic, distinguish] whether the customer or the cashier is going to re-enter the number of

scanned items, and the system is well capable of allowing the customer to re-entering [sic] the scanned items." We find this position to be speculative and unsupported in the record and note that the terminal memory device of the self-service checkout terminal of appellants' claim 7 on appeal and the processing unit therein are specifically programmed to "operate said self-service checkout terminal so as to allow said customer to enter said number of items into said self-service checkout terminal in response to generation of said audit-required control signal," something clearly not present in Schwartz, Van Solt or GB '395.

Since all the limitations of appellants' independent claims 1, 7 and 13 are not found in the applied prior art or obvious therefrom, it follows that the examiner's rejection of those claims under 35 U.S.C. § 103 based on Schwartz, in view of Van Solt or GB '395, as well as of claims 2 through 5, 8 through 11 and 14 through 16 which depend therefrom, will not be sustained.

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In summary:

a) the decision of the examiner rejecting Claims 1, 2, 7, 8, 13 through 15, 18 and 19 under 35 U.S.C. § 102(b) as being anticipated by GB '575 is reversed;

b) the decision of the examiner rejecting claims 1 through 4, 7 through 10, 13 through 15, 18 and 19 under 35 U.S.C. § 102(b) as being anticipated by Van Solt is reversed;

c) the decision of the examiner rejecting claims 1 through 4, 7 through 10, 13 through 15, 18 and 19 under 35 U.S.C. § 102(b) as being anticipated by GB '395 is reversed;

d) the examiner's decision rejecting claims 1 through 5, 7 through 11 and 13 through 16 under 35 U.S.C. § 103 as being

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unpatentable over Schwartz in view of GB '395 or Van Solt is  
reversed; and

e) the examiner's decision rejecting claims 1 through 4,  
7 through 10, 13 through 15, 18 and 19 under 35 U.S.C. § 103  
as being unpatentable over Van Solt, or GB '395, or GB '575 is

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also reversed.

REVERSED

CHARLES E. FRANKFORT	)	
Administrative Patent Judge	)	
	)	
	)	
	)	BOARD OF PATENT
JOHN P. McQUADE	)	
Administrative Patent Judge	)	APPEALS AND
	)	
	)	INTERFERENCES
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